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Chief, Services Division
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25X1A9a [REDACTED] EE Section

7 November 1955

Resubmission of requirements on East German Trade Organization and Methods (RD #C-700)

1. Organization of Chamber for Foreign Trade (KFA):

- a. Draw up an organizational chart showing line and staff relationships of the Chamber for Foreign Trade (KFA), identifying key personalities in each position.
- b. Discuss the functions of each subdivision with particular emphasis on their relationships with other governmental bodies.
- c. Does KFA concentrate mainly on special categories of goods, such as foodstuffs, clothing, etc., or machinery, chemicals, electronics, etc.?
- d. What are the requisites for membership in the Chamber? Do organizations or persons comprise the membership? How are selections made?

2. Soviet Control of KFA:

- a. What were the specific procedures and machinery by which this office was controlled by the Soviets?
- b. Was Soviet control confined to administrative direction or did it enter into actual operations?
- c. What was the relationship of the Chamber for Foreign Trade with the Soviet Trade Delegations?

3. General Organization:

- a. What was the relationship between the Chamber for Foreign Trade and CEMA?
- b. Were the activities of CEMA confined exclusively to trade matters?

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- c. Did CEMA or any non-German office exercise any direct control over either imports or exports? Did it get quotas? If so, describe the machinery and procedures in detail.
- d. If import or export allocations are imposed on the DDR how were these impositions identified? Would such allocations be identified by name of product or by numerical designation? If the latter, give detailed examples.
- e. What is the position of the Chamber for Foreign Trade with respect to the Ministry of Foreign Trade and the State Planning Commission in East Germany?
- f. Describe the relations between the China Export Corporation and the trading agencies of East Germany.
- g. Discuss in detail all relationships which the Chamber for Foreign Trade actually integrated with similar activities in the Soviet Union or with other Satellites.
- h. To what extent are the activities of the Chamber for Foreign Trade actually integrated with similar activities in the Soviet Union and/or Satellite countries?
- i. Is there any way by which such integrated or coordinated activities can be differentiated from those initiated by the DDR itself?
- j. Are trade agreements between Satellite countries made on a unilateral basis?
- k. Does the Chamber for Foreign Trade have a systematic reporting system for reporting its activities to the Soviet Union, other Satellite countries, or CEMA? If so, discuss it in detail?
- l. Is there any economic plan common to all Satellite countries which sets forth their contributions to all-Bloc production?
- m. Is there any system common to all countries used for reporting trade movements or production of goods within the Bloc?

4. Trade Agreements:

- a. In what way does the Chamber for Foreign Trade affect trade policies? What role does it play in planning exports and imports? Does it assist in determining terms of trade?

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- b. In what manner is the Chamber for Foreign Trade used in trade negotiations with the West?
- c. Did the KFA negotiate with the Iranian trade delegation which was in East Germany in the recent past? What barter or other transactions or trading arrangements resulted?
- d. Have any trade discussions or negotiations been conducted with 25X6A [redacted] traders or government representatives?
- e. Have any special trading arrangements been developed with Egypt?

5. Commodity Movements and Desirability:

- a. To what extent has East Germany imported products in transit through Switzerland, Belgium, Netherlands, Italy? What are the principal commodities that have been so imported?
- b. What major difficulties have been encountered by East Germany in efforts to procure essential commodities from [redacted] and 25X6A other Western European countries? What commodities have been involved in transactions where such difficulties have developed?
- c. What commodities have been listed or mentioned in trade enquiries or discussions with agents or representatives of European countries, Middle Eastern countries, Latin American countries, or others?
- d. What commodities are important or urgent objects of KFA negotiations or procurement efforts, or contracts?

6. Trade Representatives:

- a. Through what agents or agencies has KFA conducted trading operations in European countries? In the Near East? In Latin America?
- b. In what trade transactions or other commercial activities has the 25X6A [redacted] been involved?
- c. It would be of interest to have the names and addresses of principal DIA trade representatives in [redacted] the Middle East, and Latin American 25X6A

7. Methods and Data:

- a. Describe the subsidy system of the East German government with respect to foreign trade.

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- b. The current classification system employed by East German statisticians and planners is broken down on an industrial rather than commodity basis. Describe the operation of this system. Object is to determine, if possible, a formula for isolating one commodity which may be used in, hence appears under, several industrial breakdowns.
 - c. Obtain whatever trade statistical data source is able to provide (mainly with respect to Orbit).
 - d. What Eastern European countries consistently fail or lag behind in their shipments to East Germany?
 - e. Describe the pricing methods employed by East Germany. What basis is used for price determinations? How are prices set for inter-Satellite trade? Are world prices employed?
 - f. In what way are payments made (commonly) for commodities purchased for importation? Through what banks or other financial institutions are such transactions financed?
 - g. What multi-lateral clearing arrangements are in effect between East Germany and other Satellite or Western nations?
 - h. To what extent is [REDACTED] ^{25X6A} exchange rate with Bloc countries dictated by the USSR?
 - i. Are financial settlements between East Germany and other Bloc countries effected through bi-lateral clearing accounts? Is the incasso form of payment used?
8. In reply to this memorandum, please refer to RD #C-700.
9. An advance copy of this memorandum has been sent to [REDACTED] 25X1A9a

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